



February 18, 2016

The Honorable Michael Nofs
P.O. Box 30036
Lansing, MI 48909-7536

Dear Mr. Chairman,

I am writing in support of your energy legislation – Senate Bill 437 - that puts Michigan first, and Hydrochem supports the goals of ensuring reliability, affordability, and a long term investment in our energy infrastructure. We consider adoption of this legislation critical to the long term economic health of our company and the state.

Our state is entering a period when we will see a dramatic transformation of our energy sector. Over the next decade, Michigan's energy infrastructure will see levels of capital investments the likes of which our state has not seen in over fifty years. These investments are critical to maintaining the same standard of service we enjoy today.

Projections are that Michigan's utility industry will invest billions of dollars to replace retired electric generation, and modernize aging electric and natural gas distribution systems. This transformation creates a once-in-a-generation type of economic opportunity for Michigan-based businesses. The policy reforms put forth in your legislation are critical to ensuring that Michigan workers at Michigan companies build the energy infrastructure of the next century.

When Michigan's utility industry makes investments, they are increasingly doing so with local, Michigan-based companies. As a company that represents the thousands of businesses within the energy sector supply chain here in Michigan, we are excited about these investments and what they can mean to our future. The reforms in your legislation that require all energy providers meet local reliability requirements are critical to maintaining this network of local businesses.

Now is the time to take action on these important policy reforms and secure Michigan's energy – and economic – future. With the right energy policy in place, Michigan's future is bright.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darryl Pelchat'.

Darryl Pelchat
Hydrochem